STL

Moving forward

ANNUAL REPORT
2017-2018

About STL

STL provides sustainable and globally competitive storage and handling solutions for bulk sugar and other commodities through its assets at the ports of Cairns, Mourilyan, Lucinda, Townsville, Mackay and Bundaberg.

STL is a vital component of Queensland's sugar industry, which generates over $1.7 billion in export earnings and employs more than 16,000 people. STL's terminals handle in excess of 4.6 million tonnes of raw sugar and other bulk commodities each year (including molasses, wood pellets, gypsum and silica sands), and provide 2.48 million tonnes of storage capacity.

STL is publicly listed on the National Stock Exchange of Australia (NSX: SUG). It has a market capitalisation in excess of $330 million and over 5,600 shareholders. Share ownership is restricted to sugar industry participants (Growers and Millers).

STL Terminals

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ABOUT THIS REPORT

This annual report for Sugar Terminals Limited (STL) is a summary of the company's operations, activities and financial position for the year ended 30 June 2018. It complies with Australian reporting requirements and was authorised for issue by the Directors on 5 September 2018. The Directors have the power to amend and reissue the financial statements included in this report.

STL (ABN 17 084 059 601) is a company limited by shares and is incorporated and domiciled in Australia. Its registered office and principal place of business is Level 11, 348 Edward St, Brisbane, Queensland.

References to the financial year or 'FY' are to the year ended 30 June. All dollar figures are expressed in Australian currency.

An electronic version of this report is available at sugarterminals.com.au. In consideration of the environment, printed copies of the annual report are only posted to shareholders who have requested a copy.

Report objectives

This annual report is provided for the benefit of STL's shareholders. It provides a clear and concise summary of STL's performance for the 2018 financial year and outlook for the year ahead. It meets STL's compliance and governance requirements and aims to build awareness of STL's operations and explain company performance against its stated purpose and values.

Annual General Meeting

STL will hold its AGM on Wednesday 24 October 2018 at the office of Clayton Utz, Level 28, 71 Eagle Street, Brisbane, Queensland, at 10.00am (Brisbane time).

Chairman's message

I am pleased to report on a successful year for your company. STL has delivered strong outcomes across a range of key measures in our first year under our new business operating model.

Since 1 July 2017, when the new model came into effect, STL has established itself as a customer-focused infrastructure services provider. Our management team has worked closely with the operations contractor, Queensland Sugar Limited (QSL Operations), to receive 3.9 million tonnes of raw sugar during the 2017 season and manage over 100 ships, exporting Queensland raw sugar to global markets.

STL's Bulk Sugar Terminals (BSTs) remain a very safe place to work, with QSL Operations maintaining their world class safety record, including accreditation in June 2018 to AS/NZS4801 which is the Australian standard for occupational health and safety management systems.

As a vote of confidence in our operations, all of STL's six raw sugar customers signed three-year storage and handling agreements before the start of the 2018 crushing season, replacing the initial one-year agreements which applied in FY18. Each of these agreements includes options to extend for a further two years, providing certainty for our customers and for the Queensland sugar industry.

As highlighted in the half-year report, due to the change in STL's business model, the statutory accounts for 2018 have materially changed, reflecting changes in the structure of revenues and costs. This is a result of STL's new direct relationship with the six raw sugar marketers for storage and handling services (compared to prior years when revenue was predominantly rent received from QSL under the previous lease arrangement).

With the elimination of one-off costs incurred in 2017 to implement the new model and an increase in non-sugar income, STL delivered a 2018 net profit after tax of $25.7 million, a 9.8% increase on the previous year. Return on assets increased to 7.1%.

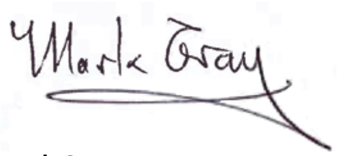
> "The Board and management have built a solid foundation from which **STL can continue to build upon.**"

The underlying profit result reflects STL's ongoing ambition to achieve stable, reliable and sustainable returns to our investors, whilst maintaining responsible cost control for customers. The company paid a fully franked dividend during the financial year of 6.5 cents per share, a 3.2% increase on the previous year.

In the last 12 months, the Board and management have built a solid foundation from which STL can continue to build upon. This foundation includes the establishment of a new three-year strategic plan (incorporating a new purpose and values for STL), a new safety management system and new STL brand identity featured in this report.

In December, we welcomed Ms Leanne Muller to the STL Board to enhance our financial capability and commercial experience, and to Chair our Finance and Audit Committee. I would like to thank all of my fellow Directors for their sterling contributions during the year. I particularly acknowledge the efforts of Industry Director Con Christofides who will retire at our 2018 annual general meeting after serving three terms as a grower-elected Director. Con has served shareholders admirably over his tenure, always ensuring the interests of the industry and needs of our shareholders are carefully considered. We wish Con well in his future endeavours.

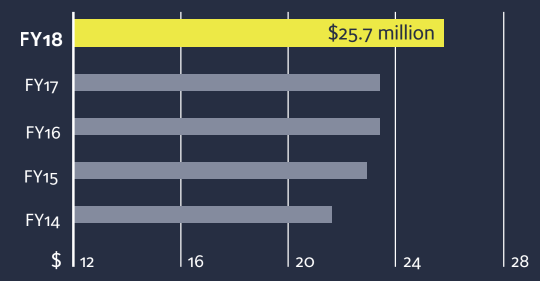
I sincerely appreciate the ongoing support of our shareholders and other stakeholders. Over the past 12 months, the Board has held successful stakeholder events at STL's terminals in Bundaberg, Mourilyan and Cairns, attended by more than 230 local growers, customers and other stakeholders. This step change in STL's stakeholder relations will continue into the future. I look forward to meeting many more of our valued shareholders and stakeholders at our other three terminals over the next 12 months.



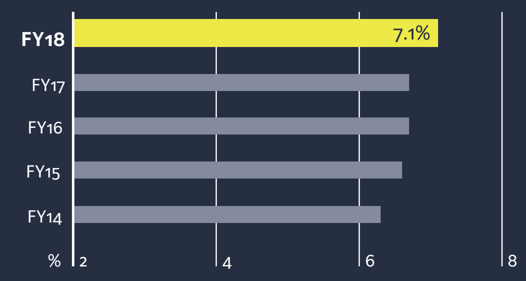
Mark Gray
Chairman

2018 Performance

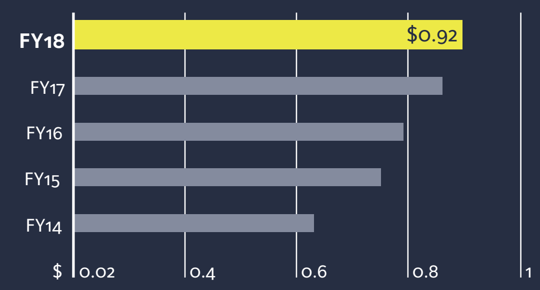
Net profit after tax ($ millions)



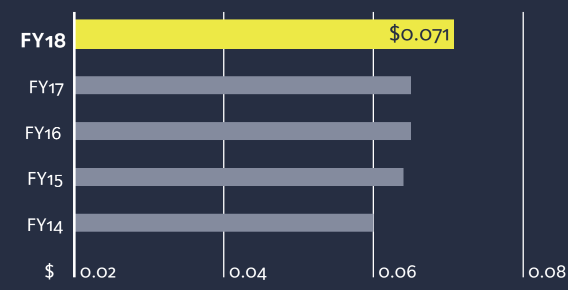
Return on assets (%)*



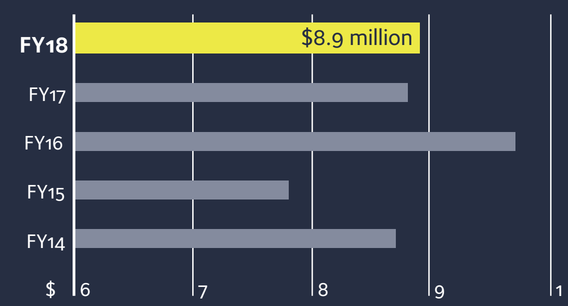
Share price (NSX: SUG) ($)



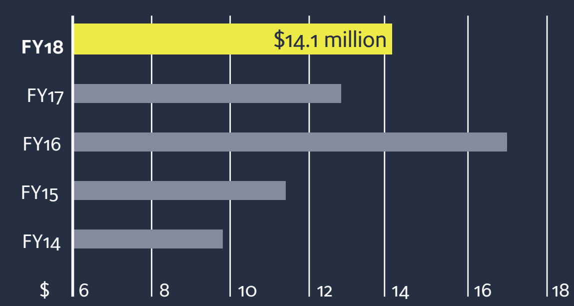
Earnings per share ($)



Roof replacement investment ($ millions)



Capital investment ($ millions)



111,484m²
RE-ROOFING COMPLETED SINCE 2012

Business model from 1 July 2017

Business model before 1 July 2017

*Full year NPAT as a percentage of total assets as at 30 June

CEO's report

I am pleased to report to you a strong result after STL's first full year of operation under the new business model.

OUR PURPOSE

To be a sustainable, globally competitive provider of storage and handling solutions for bulk sugar and other commodities.

OUR VALUES

We are passionate about being:

Safe –
A team that cares for people

Sustainable –
Responsible stewards of our assets and the environment, maintaining and creating long term value in the business

Service orientated –
Focused on customer satisfaction, cost-efficiency, excellence and quality

Innovative –
Future-focused, always improving, flexible, responsive and transforming

Independent –
Equitable and honest, acting with integrity, proving open access

Customer engagement

In October 2017, STL embarked on an extended program of engagement with the six raw sugar marketers to establish longer-term storage and handling agreements (SHAs). This was successful with all six customers signing three-year SHAs before the start of the 2018 season, with options to extend the agreements for a further two years. This result reflects the success of our transition to the new operating environment.

Operational efficiency

Over the last 12 months, STL has worked with QSL Operations to provide efficient storage and handling solutions for our customers in a competitive, multi-user environment. This includes payment of $38.7 million to QSL to operate the terminals and incurring $14.1 million in capital expenditure on the BSTs to ensure the terminals remain world-class assets that the industry can be proud of. We are focused on improving our cost performance to the sugar industry, particularly at a time when raw sugar prices are at record lows.

Strategic direction

In 2018 the STL Board approved a new purpose and values for STL and a supporting three-year strategy. Our purpose captures STL's ambition to be a globally competitive and sustainable infrastructure services provider. Our values reflect the qualities inherent in our purpose.

The strategic plan can be summarised in five key imperatives:

1. **Improve service -** explore the scope for additional raw sugar storage and continue to secure efficiency gains in the cost to operate the terminals
2. **Improve investor returns –** continue to deliver a steady increase in asset return
3. **Grow other income –** pursue opportunities to grow income from other commodities
4. **Enhance investor and stakeholder engagement –** engage more effectively with our investors and stakeholders
5. **Plan for the future –** Ensure the terminals are well maintained and remain globally competitive

I can report that STL has made solid progress against all of these five imperatives and will continue to orientate our focus to these areas in the coming three years.

Roof replacement

Work on the $100 million roof replacement program continued in 2018 with the commencement of a $17 million project to re-roof two sheds at Bundaberg BST over the next two years. The first of two six-month stages of work began in April 2018 and was completed in September. Once the Bundaberg sheds are upgraded, our attention will turn to roof upgrades at STL's Townsville and Mackay terminals. The roof replacement program is currently 75% complete.

Risk management

A significant focus for 2018 has been establishing adequate risk and safety management systems to support STL's new operating model. STL now has a safety management system in place which complements QSL Operation's safety systems. I would like to take this opportunity to congratulate QSL Operations on their AS/NZS4801 accreditation. This accreditation provides all our customers and stakeholders confidence that the BSTs have effective safety systems in place.

A new look for STL

As a result of our new strategic direction, a new brand identity has been developed for STL. This new logo is better aligned with STL's purpose and values. STL's new brand identity will be rolled out across all of our terminals in the coming year.

A team effort

It is a privilege to serve as STL's CEO at this exciting time. There is a large task ahead of us to ensure our business continues to meet our customers' needs and shareholders expectations. However I am supported by an incredibly capable team at STL as well as the experienced professionals at QSL Operations and I thank both for their efforts during the past 12 months and into the future.

John Warda
CEO

Leadership

BOARD OF DIRECTORS

(Alan) Mark Gray
Independent Non-executive Chairman
Appointed 7 March 2017

Mark's career spans some 45 years and encompasses an extensive array of senior executive and board appointments. He has served in executive roles in government and private sector organisations, including as Under Treasurer of the Queensland Treasury Department, Chief Executive Officer of the Queensland Competition Authority and the Queensland Independent Commission of Audit, Office Head at Macquarie Group and Executive Director with BDO. He holds a Bachelor of Economics (First Class Honours) from the University of Queensland, where he is also an Adjunct Professor of Economics. He is a Senior Fellow with the Financial Services Institute of Australia and a Fellow of the Australian Institute of Company Directors.

Current directorships/other interests

Royal Flying Doctors Service of Australia: Chairman (Queensland Section) and Director (Federation Board)

Data#3: Non-executive Director

Queensland Cricket: Non-executive Director

Q-Pharm: Non-executive Director

Sam (Salvatore) Bonanno
Independent Non-executive Director
Appointed 7 March 2017

Sam is an independent management consultant specialising in ports, logistics, infrastructure and mining operations. With more than 35 years' experience in Australia and overseas, his roles encompassed strategic planning, commercial negotiations, operations management, asset management, project management, minerals processing and bulk supply chain management. He has a Bachelor of Engineering (Mechanical) from Central Queensland University, an Advanced Diploma in Business Management from the Australian Institute of Management and has completed the Supply Chain Management residential program at Stanford University, USA. Sam is a member of the Institute of Engineers and a Graduate member of the Australian Institute of Company Directors.

Sam is the Chairman of STL's Safety, Health, Environment & Risk Committee.

Left to right:
1. John Warda
2. Shayne Rutherford
3. Drew (Donald) Watson
4. Sam (Salvatore) Bonanno
5. Ian Davies
6. (Alan) Mark Gray
7. Constantine Christofides
8. Leanne Muller
9. Peter Bolton

Constantine Christofides
Non-executive Industry Director (Grower elected)
Appointed 30 October 2009

Con has extensive experience in Queensland's sugar cane industry. Since 1992, he has managed and expanded his family's cane farming operations in the Burdekin region of North Queensland.

Con is a member of STL's Finance & Audit Committee.

Current directorships/other interests

South Burdekin Community Financial Services Ltd: Director

Drew (Donald) Watson
Non-executive Industry Director (Grower elected)
Appointed 28 October 2011

Drew has extensive knowledge in Queensland's sugar industry and has earned a reputation for representing the rights of cane growers in a range of forums. He is Manager and Director of a 500-hectare cane farm in Far North Queensland. Drew has also been a Director of Canegrowers Mossman since 2001.

Current directorships/other interests

Canegrowers Mossman: Chairman

Canegrowers Queensland: Member of the Policy Council

Ian Davies
Non-executive Industry Director (Miller elected)
Appointed 20 October 2016

Ian is General Manager of Wilmar Sugar Australia's agricultural operations, accountable for farming operations, research and development, and for technical advice to Wilmar's overseas sugar plantations. His experience has included management roles in a range of industries including finance, supply chain and logistics, sugar and cotton. Ian holds a Bachelor of Applied Science (Rural Technology) as well as postgraduate qualifications in management. He is also a Graduate member of the Australian Institute of Company Directors.

Ian is a member of STL's Finance & Audit Committee and the Safety, Health, Environment & Risk Committee.

Leanne Muller
Independent Non-executive Director
Appointed 6 December 2017

Leanne is a highly experienced finance executive with a 30-year career including senior corporate financial management roles and professional advisory services roles. She has previously worked as Chief Financial Officer (or equivalent) for RACQ, Uniting Care Queensland and Energex Limited. Prior to those appointments, Leanne worked for PricewaterhouseCoopers and with the Australian Securities Commission. Leanne holds a Bachelor of Commerce and is a member of the Institute of Chartered Accountants and Graduate member of the Australian Institute of Company Directors.

Leanne is Chair of STL's Finance & Audit Committee.

Current directorships/other interests

Data#3: Non-executive Director

QInsure: Non-executive Director

Peak Services: Non-executive Director

Guide Dogs Queensland: Non-executive Director

Shayne Rutherford
Non-executive Industry Director (Miller elected)
Appointed 28 October 2011

Shayne is an experienced senior executive with particular expertise in Queensland's sugar industry. He has expertise in strategy, mergers and acquisitions, and project management, and has worked in a broad range of industries including agribusiness, oil and gas, manufacturing, consulting and petrochemicals. Shayne holds a Bachelor of Engineering (Mechanical) (Hons 1) and an MBA. He is also a Graduate member of the Australian Institute of Company Directors.

Shayne is a member of STL's Safety, Health, Environment & Risk Committee.

Current directorships/other interests

Wilmar Sugar Australia Ltd: Executive General Manager, Strategy & Business Development and Executive Director

Australian Sugar Milling Council Pty Ltd: Director

MANAGEMENT TEAM

John Warda
Chief Executive Officer
Appointed 3 April 2017

John is a highly experienced senior operations executive. He brings to STL more than 40 years of experience in logistics and supply chain strategy, primarily in agribusiness. In previous roles, John has managed the operations and maintenance of large port and storage infrastructure assets. In more recent years, he has been accountable for developing supply chain assets for multinational agribusinesses both in Australia and overseas. This has included delivering cost-effective solutions for the storage and handling of bulk commodities for the long-term benefit of industry. He is a member of the Australian Institute of Company Directors

Current directorships/other interests

International Cargo Handling Coordination Association (ICHCA) Australia: Chairman & Finance Director

ICHCA International: Director

Peter Bolton
Chief Financial Officer & Company Secretary
Appointed 18 April 2017

Peter has over 20 years' experience in large-scale commercial enterprises in Australia and internationally. Prior to joining STL, Peter held roles as Chief Operating Officer and Chief Financial Officer at Amart Furniture. Previously, he held senior finance roles with Woolworths, including Head of Finance for their liquor division and joint venture with TATA in India. Peter is a Certified Practicing Accountant and holds a Masters of Management, Bachelor's Degrees in Commerce and Arts and is a Graduate member of the Australian Institute of Company Directors.

Governance

STL's Board of Directors is responsible for the overall direction and affairs of the business. It operates in accordance with the STL Constitution and within the framework of requirements, expectations and interests of customers and communities. The Chairman oversees the conduct of the Board and its relations with shareholders and other stakeholders. He chairs Board meetings and general meetings of shareholders and works closely with the Chief Executive Officer and Chief Financial Officer/Company Secretary.

STL's Board Charter provides detailed information on the operation of the Board and can be downloaded from the Company's website.

Board composition
The Board of STL comprises seven members. In accordance with the STL constitution, G Class and M Class shareholders have equal representation on the Board, with two grower appointed Directors and two miller appointed Directors. In addition, STL has three independent Directors, including an independent Chairman.

Independence
All Directors are legally required to act in the best interests of STL. These obligations are openly discussed as a Board. A Director who has a material interest in a matter being considered at a Directors' meeting must not be present while the matter is being considered at the meeting or vote on the matter unless the rest of the Board have passed a consent resolution.

Board committees
Major policy decisions are a matter for the Board as a whole. The Board has two standing committees: a Safety, Health, Environment & Risk Committee and a Finance & Audit Committee.

The Safety, Health, Environment & Risk Committee was established in August 2017 to monitor performance and oversee STL's strategic and operational approach to safety, health and environmental compliance. In addition, this Committee ensures that STL has an appropriate overall risk management framework in place to ensure key risks are identified and appropriately managed. The Committee meets at least quarterly and is comprised of three Directors: Mr SG Bonanno (Chairman), Mr IR Davies and Mr SW Rutherford.

The Finance & Audit Committee (formerly known as the Audit & Risk Committee) was in place for the full 12 months of the 2018 financial year. It was comprised of Directors Mr SC Gregory (Chairman) to Sept 17, replaced by Ms L Muller as Chairperson (from Dec 17), Mr CA Christofides and Mr IR Davies. The Committee assists the Board in discharging its duties regarding the Company's financial management and control framework. The Committee will review, monitor and, where necessary, recommend improvements to:

- The financial management framework and reporting process; and
- The external audit process; and
- Legal and regulatory compliance.

Safety, health and environment
STL is committed to safeguarding the people and environment associated with its operations. In July 2018, the Board approved an updated Safety, Health and Environment Policy and published it on the Company's website.

Communication and disclosure
STL is committed to providing timely, full and accurate disclosure and to keeping shareholders informed. The Company posts regular releases to the NSX and its website, including annual and half-yearly reports. All material matters are disclosed to the NSX immediately, as required by NSX Listing Rules.

Directors
The following persons were Directors of STL during the whole of the financial year and up to the date of this report:

Mr (Alan) Mark Gray
Mr Sam (Salvatore) Bonanno
Mr Constantine A Christofides
Mr Ian Davies
Mr Shayne W Rutherford
Mr Drew (Donald) A Watson

Ms Leanne Muller was appointed as a Director on 6 December 2017.

Mr Stuart C Gregory ceased to be a Director on 6 September 2017.

GUIDING PRINCIPLES

STL's Board has established five fundamental principles to guide the Company's new business model:

- **OPEN ACCESS THAT IS TRANSPARENT AND CONFLICT-FREE**
- **EQUITABLE AND COMPLIANT PRICING AND ACCESS TERMS**
- **EXCELLENT SERVICE AND COST CONTROL**
- **LONG TERM ASSET PRESERVATION**
- **RESPONSIVENESS TO RISKS AND OPPORTUNITIES**

Directors' report

Review of operations

Commencing 1 July 2017, STL implemented a new business model, transitioning from a landlord to an infrastructure owner and services provider.

STL now has direct responsibility for the management of its six bulk sugar terminals. It has in place three-year storage and handling agreements with raw sugar marketers, invoicing the marketers directly for storage and handling services provided. Similarly, STL is now directly responsible for management arrangements applicable to operate the terminals. It has in place a five-year operating agreement with QSL as its operations contractor. Because of this new role, the statutory accounts of the business have materially changed since 2017, reflecting for the first time full accountability for revenue and costs relating to the operation of the terminals.

Revenue for the full year ended 30 June 2018 has increased to $96.2 million (2017: $51.1 million) reflecting the new direct relationship with the raw sugar marketers for storage and handling services (compared to prior years when revenue was predominately rent received from QSL). Costs, excluding income tax expense, have increased to $59.1 million (2017: $17.3 million) reflecting that STL now incurs the full cost to operate the terminals (compared to prior years when operational costs remained with QSL and were not charged to STL).

The profit attributable to STL shareholders has grown to $25.7 million (2017: $23.4 million) assisted by the elimination of one-off costs incurred in 2017 to implement the new model. The profit result delivers on the Company's aim to achieve stable, reliable and sustainable returns to our investors.

Comparative financial information

	2018 $'000	2017 $'000	2016 $'000	2015 $'000	2014 $'000
Revenue from continuing operations	**96,226**	51,081	48,689	47,023	45,391
Profit attributable to shareholders	**25,712**	23,418	23,360	22,930	21,554
Balance sheet					
Current assets	**31,431**	18,157	18,887	24,386	18,880
Non-current assets	**330,810**	329,492	328,888	323,738	323,840
Current liabilities	**(20,671)**	(8,800)	(10,368)	(12,551)	(8,746)
Non-current liabilities	**(9,459)**	(9,050)	(8,347)	(7,552)	(6,923)
Net assets	**332,111**	329,799	329,061	328,021	327,051

Dividends

Dividends provided for or paid to members during the financial year were as follows:

	2018 $'000	2017 $'000
Final dividend for the year ended 30 June 2017 of 3.2 cents per share (2016 – 3.1 cents per share), fully franked based on tax paid of 30%, paid on 29 September 2017.	**11,520**	11,160
Interim dividend for the year ended 30 June 2018 of 3.3 cents per share (2017 – 3.2 cents per share), fully franked based on tax paid of 30%, paid on 29 March 2018.	**11,880**	11,520
	23,400	22,680

On 5 September 2018, the Directors determined that a final ordinary dividend of $12.24 million (3.4 cents per fully paid share), fully franked based on tax paid at 30%, will be paid on 28 September 2018 to shareholders whose names are recorded on the Register on 13 September 2018.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect:

(a) the Company's operations in future financial years, or

(b) the results of those operations in future financial years, or

(c) the Company's state of affairs in future financial years.

Environmental regulation

From 1 July 2017, STL has responsibility for the environmental impact of the terminals and maintains, via the operating agreement with QSL, the environmental licences under the Environmental Protection Act 1994.

Information on Directors

Information on Directors and is provided on page 6 and 7.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2018, and the numbers of meetings attended by each Director were:

	Directors' Meetings		Safety, Health, Environment & Risk Committee Meetings		Finance & Audit Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
SG Bonanno	11	11	4	4	–	–
CA Christofides	11	11	–	–	3	3
IR Davies	11	11	4	4	3	3
AM Gray	11	11	–	–	–	–
SC Gregory	3	3	–	–	1	1
LM Muller	6	6	–	–	2	2
SW Rutherford	11	11	3	3	–	–
DA Watson	11	11	–	–	–	–

Remuneration report

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

Principles used to determine the nature and amount of remuneration

The objective of the Company's remuneration framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework aligns remuneration with the achievement of strategic objectives and the creation of value for shareholders. The Board ensures that remuneration satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- transparency
- capital management.

The Company has structured a remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Non-executive Directors

Fees and payments to non-executive Directors reflect the duties and responsibilities of STL Directors. Non-executive Directors' fees are reviewed periodically by the Board.

Directors are appointed for a term not exceeding 3 years and each Director is subject to retirement by rotation in line with the constitution. A Director may only be appointed for a maximum of 3 consecutive terms. No notice is required for termination.

Directors' fees

The Directors' remuneration is reviewed with effect from 1 July each year.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically subject to approval by shareholders. The maximum aggregate annual amount currently stands at $400,000 which was approved by shareholders in March 2017.

The following fees (inclusive of statutory superannuation) have applied:

	30 June 2018	30 June 2017
Chairman	$101,020	$100,000
Independent non-executive Directors	$60,612	$60,000
Grower & Miller non-executive Directors	$33,688	$33,348

Retirement allowances for Directors

Non-executive Directors are not entitled to retirement allowances or termination payments.

Executive pay

The CEO and CFO's employment contracts do not have a minimum term. The CEO's employment contract stipulates a 6 months' notice of termination. The CFO's contract incorporates a 3 months' notice of termination.

The executive pay and reward framework has three components:

- base pay and benefits
- short-term performance incentives
- other remuneration such as superannuation.

Base pay

Executives are offered a competitive base pay, which is reviewed annually to ensure the remuneration is in line with the market. As at 30 June 2018, the fixed remuneration (inclusive of superannuation) for the CEO is $325,000 and the CFO is $230,000. There are no guaranteed base pay increases fixed into management contracts.

Benefits

No other benefits were paid during the year.

Short-term incentives

Executive pay incorporates the opportunity to earn a short-term performance incentive (STI). Each year the Board considers appropriate key performance indicators (KPIs) and targets for executives and evaluates performance against these targets. STI payments may be adjusted according to achievements against the targets, at the discretion of the Board.

The following table provides an overview of a number of factors affecting shareholder value over the past five years:

	2018 $'000	2017 $'000	2016 $'000	2015 $'000	2014 $'000
Profit attributable to members of STL	**25,712**	23,418	23,360	22,930	21,554
Dividends (relating to the year)					
Interim	**11,520**	11,160	11,160	10,800	10,800
Final	**11,880**	11,520	11,160	11,160	10,800
Earnings per share (basic)	**7.14c**	6.51c	6.49c	6.37c	5.99c
Share price at 30 June ($)	**$0.92**	$0.86	$0.79	$0.75	$0.63

Details of remuneration

Details of the remuneration of each Director and executives of STL are set out in the following tables.

2018	Short-term benefits					Post-employment benefits (Superannuation)	Total
	Cash salary and fees	Bonus	Annual and long service leave	Non-monetary benefits	Other – termination benefit		
Name	$	$	$	$	$	$	$
Non-executive Directors							
SG Bonanno	55,353	–	–	–	–	5,259	60,612
CA Christofides	8,688	–	–	–	–	25,000	33,688
IR Davies	33,688	–	–	–	–	–	33,688
AM Gray (Chairman)	92,256	–	–	–	–	8,764	101,020
SC Gregory	10,228	–	–	–	–	972	11,200
LM Muller	31,588	–	–	–	–	3,000	34,588
SW Rutherford	33,688	–	–	–	–	–	33,688
DA Watson	30,765	–	–	–	–	2,923	33,688
Subtotal non-executive Directors	**296,254**	**–**	**–**	**–**	**–**	**45,918**	**342,172**
Executives							
PM Bolton	205,000	51,750	13,134	–	–	25,000	294,884
PW Trimble	821	–	–	–	40,000	20,012	60,833
JP Warda	293,077	58,500	(5,457)	–	–	25,000	371,120
Total	**795,152**	**110,250**	**7,677**	**–**	**40,000**	**115,930**	**1,069,009**

SC Gregory ceased as a Director of STL in September 2017 and LM Muller commenced as a Director of STL in December 2017.

PW Trimble ceased as General Manager of STL in July 2017.

2017	Short-term benefits					Post-employment benefits (Superannuation)	Total
	Cash salary and fees	Bonus	Annual and long service leave	Non-monetary benefits	Other – termination benefit		
Name	$	$	$	$	$	$	$
Non-executive Directors							
SG Bonanno	17,452	–	–	–	–	1,658	19,110
AS Cappello	2,204	–	–	–	–	7,946	10,150
CA Christofides	3,348	–	–	–	–	30,000	33,348
IR Davies	23,290	–	–	–	–	–	23,290
AM Gray (Chairman)	29,086	–	–	–	–	2,763	31,849
SC Gregory	64,115	–	–	–	–	17,258	81,373
SW Rutherford	33,348	–	–	–	–	–	33,348
DA Watson	30,455	–	–	–	–	2,893	33,348
Subtotal non-executive Directors	**203,298**	**–**	**–**	**–**	**–**	**62,518**	**265,816**
Executives							
PM Bolton	36,402	–	–	–	–	10,123	46,525
PW Trimble	315,401	100,000	19,231	–	–	34,996	469,628
JP Warda	54,250	–	–	–	–	27,000	81,250
Total	**609,351**	**100,000**	**19,231**	**–**	**–**	**134,637**	**863,219**

Share-based compensation

The Company does not have a share-based compensation plan. Directors and executives do not have any rights to subscribe for equity or debt securities of the Company.

Additional Information

Loans to Directors and executives

There are no loans to Directors or executives.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for non-audit services provided during the year are set out below:

	2018 $	2017 $
Non-audit services		
PricewaterhouseCoopers Australian firm:		
Accounting advice:	**0**	15,000
Taxation advice:	**7,950**	0

Auditor's independence declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 15.

Insurance of officers

Premiums have been paid in respect of policies of insurance for current and former Directors and officers. Disclosure of the nature of the liabilities insured by these contracts and the premiums paid under these contracts of insurance is prohibited by the terms of the contracts.

Proceedings on behalf of Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

PricewaterhouseCoopers continues in office in accordance with Section 327 of the Corporations Act 2001.

Sam (Salvatore) G Bonanno
Brisbane
5 September 2018

This report is made in accordance with a resolution of the Directors.

Auditor's independence declaration

pwc

Auditor's Independence Declaration

As lead auditor for the audit of Sugar Terminals Limited for the year ended 30 June 2018, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Kim Challenor
Partner
PricewaterhouseCoopers

Brisbane
5 September 2018

PricewaterhouseCoopers, ABN 52 780 433 757
480 Queen Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001
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Annual financial report

30 June 2018

The financial report is presented in Australian currency.

Sugar Terminals Limited is a Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Sugar Terminals Limited
Level 11, IBM Building
348 Edward St
Brisbane QLD 4000

A description of the Company's operations and its principal activities is included in the review of operations and activities on page 10 of the Directors' report which is not part of this financial report.

The financial report was authorised for issue by the Directors on 5 September 2018. The Directors have the power to amend and reissue the financial statements.

Statement of comprehensive income

AS AT 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
Revenue from continuing operations	5	**96,226**	51,081
Operating expenses		**(40,049)**	–
Depreciation expense	6	**(12,439)**	(12,028)
Professional fees expense		**(934)**	(2,431)
Insurance expense		**(2,338)**	(1,524)
Net loss on disposal of investment properties	6	**-**	(205)
Net loss on disposal of plant & equipment	6	**(302)**	-
Other expenses		**(3,084)**	(1,097)
Profit before income tax		**37,080**	33,796
Income tax expense	7	**(11,368)**	(10,378)
Profit for the period	16	**25,712**	23,418
Other comprehensive income		**-**	-
Total comprehensive income		**25,712**	23,418

		2018 Cents	2017 Cents
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company			
Basic and diluted earnings per share	25	**7.14**	6.51

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

AS AT 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
Assets			
Current assets			
Cash and cash equivalents	8	**13,591**	7,945
Trade and other receivables	10	**5,840**	212
Other financial assets	9	**12,000**	10,000
Total current assets		**31,431**	18,157
Non-current assets			
Property, plant and equipment	11	**330,810**	329,492
Total non-current assets		**330,810**	329,492
Total assets		**362,241**	347,649
Liabilities			
Current liabilities			
Trade and other payables	12	**19,219**	8,419
Current tax liabilities	13	**1,452**	381
Total current liabilities		**20,671**	8,800
Non-current liabilities			
Net deferred tax liabilities	14	**9,459**	9,050
Total non-current liabilities		**9,459**	9,050
Total liabilities		**30,130**	17,850
Net assets		**332,111**	329,799
Equity			
Contributed equity	15	**317,628**	317,628
Retained earnings	16	**14,483**	12,171
Total equity		**332,111**	329,799

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Contributed Equity $'000	Retained Earnings $'000	Total $'000
Balance at 1 July 2016		317,628	11,433	329,061
Profit for the period		-	23,418	23,418
Other comprehensive income		-	-	
Total comprehensive income for the year		-	23,418	23,418
Transactions with owners in their capacity as owners				
Dividends provided for or paid	17	-	(22,680)	(22,680)
Balance at 30 June 2017		317,628	12,171	329,799
Profit for the period		**-**	**25,712**	**25,712**
Other comprehensive income		**-**	**-**	**-**
Total comprehensive income for the year		**-**	**25,712**	**25,712**
Transactions with owners in their capacity as owners				
Dividends provided for or paid	17	**-**	**(23,400)**	**(23,400)**
Balance at 30 June 2018		**317,628**	**14,483**	**332,111**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		100,026	54,482
Payments to suppliers and employees (inclusive of goods and services tax)		(48,079)	(8,082)
		51,947	46,400
Interest received		320	361
Income taxes paid		(9,887)	(9,861)
Net cash inflow from operating activities	24	42,380	36,900
Cash flows from investing activities			
Payments for Investment Properties / Property, Plant & Equipment		(11,334)	(14,914)
Proceeds from financial assets		(2,000)	2,000
Net cash (outflow) from investing activities		(13,334)	(12,914)
Cash flows from financing activities			
Dividends paid to Company's shareholders		(23,400)	(22,680)
Net cash (outflow) from financing activities		(23,400)	(22,680)
Net (decrease) increase in cash and cash equivalents		5,646	1,306
Cash and cash equivalents at the beginning of the financial year		7,945	6,639
Cash and cash equivalents at the end of the year	8	13,591	7,945

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to Financial Statements

30 June 2018

Notes to financial statements

30 JUNE 2018

Note 1
Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies are consistent with those of the previous financial year, unless otherwise stated.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group interpretations and the *Corporations Act 2001*. STL is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS

The financial report of STL also complies with International Financial Reporting Standards (IFRS) as used by the International Accounting Standards Board (IASB).

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2017 affected any of the amounts recognised in the current period or any prior period and they are not likely to affect future periods.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

These financial statements have been prepared on the basis that STL is a going concern, able to realise assets and settle liabilities in the ordinary course of business.

The principal activities of the business changed from 1 July 2017 to become an infrastructure services provider. The Company is now responsible for the operation of the bulk sugar terminals and has in place three-year contracts with each of the raw sugar marketers to provide them storage and handling services. These contracts expire on 30 June 2021 and include options to extend for a further two years.

Accordingly, the Directors have prepared the financial report on a going concern basis.

(b) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of duties and taxes paid. Revenue is recognised for the major business activities as follows:

(i) Storage and handling services:
Revenue from storage and handling agreements are recognised using a straight-line method, as storage and handling facilities are available and utilised by customers over a 12 month period.

(ii) Interest revenue:
Interest revenue is recognised using the effective interest rate method.

(d) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the current income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to STL, as lessee, are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Rental revenue from operating leases where the group is a lessor is recognised as income on a straight-line basis over the lease term.

(f) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(h) Financial assets

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable within 24 hours notice with no loss of interest.

Term deposits that have a maturity of three months or more from the date of acquisition are presented as other financial assets.

(i) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement in other expenses.

(j) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

(k) Property, plant and equipment

Property, plant and equipment is shown at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Leasehold land is not depreciated. Options to renew the leases are in the control of the Company.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Buildings	40 – 80 years
Plant and equipment	7 – 50 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(l) Impairment of assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Borrowings

Borrowings are initially recognised at fair value. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Notes to financial statements (continued)

30 JUNE 2018

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(o) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(p) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Retirement benefit obligations

Contributions are made by the Company to an employee's superannuation fund and are charged as expenses when incurred.

(q) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(r) Dividends

Provision is made for the amount of any dividend declared being appropriately authorised and no longer at the discretion of the Company on or before the end of the year, but not distributed at balance date.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

(u) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(v) Comparatives

Comparative information has been reclassified where appropriate to enhance comparability.

(w) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2018 reporting periods and have not been early adopted and have not been applied by STL in this financial report:

AASB 9 Financial Instruments (mandatory for financial year beginning 1 July 2018).

The AASB has issued a new standard for Financial Instruments which applies to accounting periods commencing on or after 1 July 2018. It includes revised guidance on classification and measurement of financial instruments and new hedge accounting requirements.

The Company has performed an assessment on the current classification of financial instruments based on the "business model test" as required by the standard. Based on this assessment, the Company does not expect any changes to the current classification of financial instruments. The new impairment model requires the recognition of impairment provisions based on expected credit losses, the Company does not expect a material change in the loss allowance for trade receivables, however additional disclosures will be required. STL does not have any hedging arrangements.

AASB 15 Revenue from Contracts with Customers (mandatory for financial year beginning 1 July 2018).

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The Company has evaluated the impact of the new rules on its revenue recognition policies and believes it aligns with the requirements of AASB 15. The Company will adopt AASB 15 in the annual reporting period ending 30 June 2019.

AASB 16 Leases (mandatory for financial year beginning 1 July 2019).

AASB 16 was issued in February 2016 and replaces AASB 117 Leases. It introduces a single lessee accounting model, with no distinction between operating and finance leases. The standard requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless if the underlying asset is of low value. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The standard requires lessees and lessors to make additional disclosures to that required by AASB 117.

There are three areas in which the impacts of AASB 16 on STL's accounts are being evaluated.

1. STL has signed 100 year leases with the port authorities, with options to extend these leases that are in the control of the Company. The rental consideration for each lease is a nominal $1.00 per annum. Commencing in 2001, the value of the land attributable to each lease has been recognised on STL's balance sheet as Leasehold Land.
2. STL has license agreements in place for the non-exclusive usage of wharf facilities at Cairns, Mackay and Townsville and office facilities in Brisbane.
3. STL has the potential for embedded leases within STL's operating agreement with QSL.

Management will continue to assess any impacts of applying the new standard on the Company's financial statements and provide a detailed assessment in the report for the half-year ending 31 December 2018.

Note 2
Capital and financial risk management

STL's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

(a) Credit risk

The Company had no significant concentrations of credit risk. Cash at bank and term deposits are all held with one of the major Australian banks.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities, both of which the Company considers at all times.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facility at the reporting date

	2018	2017
	$'000	$'000
Floating rate		
Expiring within one year (bank overdraft)	**3,000**	3,000

The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

(c) Market risk

(i) Foreign exchange risk

The Company is not exposed to foreign exchange risk arising from currency exposure.

(ii) Price risk

The Company is not exposed to equity securities price risk.

(iii) Cash flow and fair value interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. There is no external debt or interest-bearing obligations.

(d) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.

Note 3
Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. At the date of signing this report, there are no estimates or assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The area involving significant estimates or judgements is the estimation of environmental remediation in contingent liabilities (Note 20).

(b) Critical judgements in applying the Company's accounting policies

There have been no significant judgements made in the application of the Company's accounting policies that have a material impact on the amounts recognised in the financial report.

Note 4
Segment information

Operating segments

STL's operations are monitored by the Company as one operating segment, and this is how the results are reported internally and how the business is managed. The CEO and the Board assess the performance of the Company based on earnings before interest and tax.

Notes to financial statements (continued)

30 JUNE 2018

	2018 $'000	2017 $'000
Note 5		
Revenue		
Revenue from continuing operations		
Storage and handling – raw sugar	94,630	-
Storage and handling – other products	407	211
Defence Department licence fee	808	-
Share of Defence Department licence fee	-	387
Sublease revenue	-	49,883
	95,845	50,481
Other revenue		
Interest revenue	381	361
Other – write back of provision	0	239
	381	600
	96,226	51,081

Note 6
Expenses

Profit before income tax includes the following specific expenses:

	2018 $'000	2017 $'000
Expenses		
Depreciation		
Plant & equipment	12,439	-
Investment properties	-	12,028
Total depreciation	12,439	12,028
Net loss on disposal of plant & equipment	302	-
Net loss on disposal of investment properties	-	205
Defined contributions superannuation expense	121	135

Note 7
Income tax expense

(a) Income tax expense

	2018 $'000	2017 $'000
Current taxation	10,959	9,675
Deferred tax	409	703
	11,368	10,378
Deferred income tax expenses included in income tax expense comprises:		
Increase (decrease) in deferred tax liabilities (Note 15)	409	703
	409	703

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2018 $'000	2017 $'000
Profit from continuing operations before income tax expense	37,080	33,796
Income tax calculated at the Australian tax rate of 30% (2017 – 30%)	11,124	10,140
Tax effect of permanent differences:		
Non-deductible depreciation	238	238
Sundry items	6	-
Income tax expense	11,368	10,378

Note 8
Current assets – Cash and cash equivalents

	2018 $'000	2017 $'000
Cash at bank and on hand	13,591	7,945
	13,591	7,945

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	2018 $'000	2017 $'000
Balances as above	13,591	7,945
Balances per cash flow statement	13,591	7,945

(b) Cash at bank and on hand

Cash at bank earns a floating interest rate of 1.50%, which is the rate at 30 June 2018 (2017 – 1.50%).

(c) Interest rate risk exposure

The Company's exposure to interest rate risk is discussed in Note 2.

Note 9
Current assets – Financial assets

	2018 $'000	2017 $'000
Term deposits	12,000	10,000
	12,000	10,000

(a) Financial assets

Term deposits earn a weighted average interest rate of 2.27%, which is the average rate on deposits invested at 30 June 2018 (2017 – 2.60%).

Note 10
Current assets – Trade and other receivables

	2018 $'000	2017 $'000
Trade receivables	5,694	126
Other receivables	146	86
	5,840	212

(a) Past due but not impaired

Trade receivables do not include any amounts which are past due.

(b) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

Notes to financial statements (continued)

30 JUNE 2018

Note 11
Non-current assets – Property, plant and equipment

	Leasehold Land $'000	Buildings, Plant and Equipment $'000	Under Construction $'000	Total $'000
Year ended 30 June 2018				
Opening net book amount	12,938	312,952	3,602	329,492
Additions	-	3,938	10,120	14,059
Disposals	-	(302)	-	(302)
Transfers	-	8,952	(8,952)	-
Depreciation charge	-	(12,439)	-	(12,439)
Closing net book amount	12,938	313,101	4,770	330,810
At 30 June 2018				
Cost	12,938	499,683	4,770	517,391
Accumulated depreciation	-	(186,582)	-	(186,582)
Net book amount	12,938	313,101	4,770	330,810

	Leasehold Land $'000	Buildings, Plant and Equipment $'000	Under Construction $'000	Total $'000
Year ended 30 June 2017				
Opening net book amount	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Transfers	-	-	-	-
Depreciation charge	-	-	-	-
Transfers from investment property	12,938	312,952	3,602	329,492
Closing net book amount	12,938	312,952	3,602	329,492
At 30 June 2017				
Cost	12,938	489,286	3,602	505,827
Accumulated depreciation	-	(176,334)	-	(176,334)
Net book amount	12,938	312,952	3,602	329,492

Property, Plant and Equipment are pledged as security for a bank overdraft facility of $3 million, as follows:
- Mortgages over leases of land at Townsville
- Fixed and floating charge over the whole of the Company's assets, excluding its interests in the leases and sub-leases of land at the ports of Cairns, Mourilyan, Lucinda, Bundaberg and Mackay.

Note 12
Current liabilities – Trade and other payables

	2018 $'000	2017 $'000
Trade and other payables	15,335	4,925
Deferred revenue	3,884	3,494
	19,219	8,419

Note 13
Current liabilities – Current tax liabilities

	2018 $'000	2017 $'000
Income tax	1,452	381
	1,452	381

Note 14
Non-current liabilities – Deferred tax liabilities

The balance comprises temporary differences attributable to:

	2018 $'000	2017 $'000
Plant and equipment	9,459	-
Investment properties		9,050
	9,459	9,050
Movements:		
Opening balance at 1 July	9,050	8,347
Charged to the income statement (Note 7)	409	703
Closing balance at 30 June	9,459	9,050
Deferred tax liabilities to be settled after more than 12 months	9,459	9,050
Deferred tax liabilities to be settled within 12 months	-	-
	9,459	9,050

Note 15
Contributed equity

	2018 Shares	2017 Shares	2018 $'000	2017 $'000
(a) Share capital				
Ordinary shares				
Fully paid	360,000,000	360,000,000	317,628	317,628
(b) Movements in ordinary share capital				
Opening balance			317,628	317,628
Closing balance			317,628	317,628

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote, except that no holder of G class shares may vote more than 5% of the total number of G class shares.

At 30 June 2018 there were 360 million ordinary shares fully paid, consisting of:

G class ordinary shares	229,348,203
M class ordinary shares	130,651,797
	360,000,000

During the year ended 30 June 2018, there were no movements in the total number of ordinary shares on issue.

Notes to financial statements (continued)

30 JUNE 2018

Note 16
Retained earnings

Movements in retained earnings were as follows:

	2018 $'000	2017 $'000
Retained earnings		
Balance at 1 July	**12,171**	11,433
Total comprehensive income	**25,712**	23,418
Dividends provided for or paid	**(23,400)**	(22,680)
Balance at 30 June	**14,483**	12,171

Note 17
Dividends

(a) Ordinary shares

	2018 $'000	2017 $'000
Final dividend for the year ended 30 June 2017 of 3.2 cents (2016 – 3.1 cents) per share paid on 29 September 2017.		
Fully franked based on tax paid @ 30%	**11,520**	11,160
Interim dividend for the year ended 30 June 2018 of 3.3 cents (2017 – 3.2 cents) per share paid on 29 March 2018.		
Fully franked based on tax paid @ 30%	**11,880**	11,520
	23,400	22,680

(b) Dividends not recognised at year end

In addition to the above dividends, since year end the Directors have determined that a final dividend of 3.4 cents per fully paid ordinary share will be paid, fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend to be paid is $12.24 million to be paid on 18 September 2018, but is not recognised as a liability at year end.

(c) Franked dividends

The franked portion of the final dividend recommended after 30 June 2018 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax for the year ending 30 June 2018.

	2018 $'000	2017 $'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2017 – 30%)	**4,675**	3,745

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

(a) franking credits that will arise from the payment of the current tax liability

(b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date

(c) franking credits that may be prevented from being distributed in subsequent financial years.

The impact on the franking account of the dividend determined by the Directors since year end, but not recognised as a liability at year end, will be a reduction in the franking account of $5,245,714 (2017: $4,937,000).

Note 18
Key management personnel disclosures

(a) Key management personnel compensation

	2018	2017
Short-term	**913,079**	728,582
Termination benefits	**40,000**	-
Post-employment benefits (i.e. superannuation)	**115,930**	134,637
	1,069,009	863,219

Detailed remuneration disclosures are provided in the remuneration report on pages 11 to 13.

(b) Equity instrument disclosures relating to key management personnel

Share holdings

The number of ordinary shares in the Company held during the financial year by each Director and other key management personnel of the Company, including their personally related entities, are set out below. There were no shares granted during the reporting period as compensation.

	Held at 30 June 2017	Purchases	Other changes during the year	Held at 30 June 2018
DA Watson	248,196	-	-	248,196

(c) Other transactions with key management personnel

Australian Sugar Milling Council Pty Limited provided administrative and secretarial services to Sugar Terminals Limited. The services were provided on normal commercial terms and conditions. Under the terms of the arrangement, provision of these services has been terminated as of December 2017. Mr SW Rutherford is a Director of Australian Sugar Milling Council Pty Limited.

Aggregate amounts of the above types of other transactions with key management personnel of Sugar Terminals Limited:

	2018 $'000	2017 $'000
Amounts recognised as expense		
Services provided by Australian Sugar Milling Council Pty Limited.	**44**	105

Note 19
Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	2018 $	2017 $
(a) Assurance services		
PricewaterhouseCoopers – Australian firm		
Audit and review of financial reports and other audit work under the Corporations Act 2001	**96,385**	82,461
Total remuneration for assurance services	**96,385**	82,461
(b) Other services		
PricewaterhouseCoopers – Australian firm		
Taxation advice	**7,950**	0
Accounting advice	**0**	15,000
Total remuneration for other services	**7,950**	15,000
	104,335	97,461

Note 20
Contingent liabilities

Environmental remediation

The Company is subject to environmental laws and regulations concerning its bulk sugar terminal facilities that may require future remediation to be undertaken. Such contingencies may arise during the term of, or upon any expiry of, a relevant lease.

Each of the Company's six bulk sugar terminals is operated under a long-term lease with the local port authority. Each lease contains rolling options for extension, which are in the Company's control. If, at a future time, a lease were permitted to expire and the relevant port did not elect to purchase the terminal facilities, the Company may be required to remove terminal infrastructure and undertake appropriate remediation. Any such obligation is considered to have a low probability of crystallising at this time due to the ongoing nature of export sugar activities which supports the continued utilisation of each terminal.

The Company may also sell one or more of the bulk sugar terminals to a third party buyer, releasing the Company from any future obligation or liability in respect of that terminal, including future "make good" and/or remediation obligations.

As at 30 June 2018, in considering all information presently available to them, the Directors consider the likelihood of incurring "make good" and/or remediation obligations and liabilities in respect of the bulk sugar terminals to have a low probability. As such, no provision for these obligations has been recognised. The assumptions supporting this assessment may change should events change in the future. This position will be reconsidered at each reporting date or in the event of underlying industry change.

Notes to financial statements (continued)

30 JUNE 2018

Note 21
Commitments

Under the terms of the Operating Agreement, QSL incurs expenditure on Capital Works on STL's behalf in accordance with the approved Capital Expenditure Budget and that expenditure is reimbursed by STL.

Capital expenditure contracted for by QSL but not paid or recognised as a liability by STL amounted to $11,008,366 (2017 $6,126,317).

Note 22
Related party transactions

	2018 $	2017 $
(a) Transactions with related parties		
The following transactions occurred with related parties:		
Provision of services to shareholders	**93,593,566**	49,859,576
Purchase of services from shareholders	**53,133,489**	13,969,467
(b) Outstanding balances arising from sales/ purchases		
The following balances (inclusive of any goods and services tax) are outstanding at the end of the reporting period in relation to transactions with related parties:		
Current receivables (provision of services to shareholders)	**997,225**	756,299
Current payables (purchase of services from shareholders)	**15,337,279**	4,138,401
Prepaid revenue from shareholders	**3,749,063**	3,452,091

(c) Terms and conditions

The transactions have been recorded in accordance with the terms and conditions included in the storage and handling agreements.

Key management personnel

Disclosures relating to key management personnel are set out in Note 18.

Note 23
Events occurring after the balance sheet date

There were no significant events occurring after the balance date.

Note 24
Reconciliation of profit after income tax to net cash inflow from operating activities

	2018 $'000	2017 $'000
Profit for the year	**25,712**	23,419
Depreciation	**12,439**	12,028
Net loss (gain) on disposal of non-current assets	**302**	205
Decrease (increase) in trade and other receivables	**(5,629)**	38
Increase (decrease) in trade and other payables	**8,075**	695
Increase (decrease) in current tax liabilities	**1,071**	(188)
Increase (decrease) in deferred tax liabilities	**409**	703
Net cash inflow from operating activities	**42,380**	36,900

Note 25
Earnings per share

	2018 Cents	2017 Cents
(a) Basic and diluted earnings per share	**7.14**	6.51
Profit from continuing operations attributable to the ordinary equity holders of the Company		

	2018 $'000	2017 $'000
(b) Reconciliation of earnings used in calculating earnings per share	**25,712**	23,418
Basic and diluted earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share from continuing operations		

	2018 Number	2017 Number
(c) Weighted average number of shares used as the denominator	**360,000,000**	360,000,000
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share.		

Directors' declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 16 to 40 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the year ended on that date; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Sam (Salvatore) G Bonanno
Director
Brisbane
5 September 2018

Independent auditor's report

Independent auditor's report

To the members of Sugar Terminals Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Sugar Terminals Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the Statement of financial position as at 30 June 2018
- the Statement of comprehensive income for the year then ended
- the Statement of changes in equity for the year then ended
- the Statement of cash flows for the year then ended
- the Notes to the Financial Statements, which include a summary of significant accounting policies
- the Directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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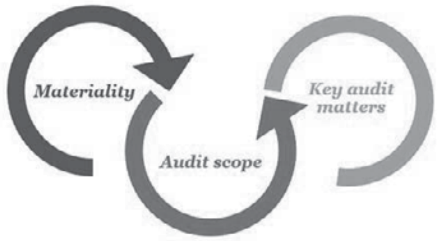
Independent auditor's report (continued)

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Company, its accounting processes and controls and the industry in which it operates.



Materiality	*Audit scope*	*Key audit matters*
• For the purpose of our audit we used overall materiality of $1.85 million, which represents approximately 5% of the Company's profit before tax. • We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole. • We chose profit before tax because, in our view, it is the benchmark against which the performance of the Company is most commonly measured. • We utilised a 5% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.	• Our audit focused on where the Company made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • We ensured the audit team included the appropriate skills and competencies required for the audit.	• Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Committee: – Revenue recognition for the Storage and Handling Agreement • These are further described in the *Key audit matters* section of our report.

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Independent auditor's report (continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	*How our audit addressed the key audit matter*
Revenue recognition for the Storage and Handling Agreement *(Refer to note 1(c)) - Revenue recognition* Sugar Terminals Limited signed a new 'Operating Agreement' with Queensland Sugar Limited and 'Storage and Handling Agreements' with customers in June 2017. Under these agreements, Sugar Terminals Limited will manage the terminals, engaging Queensland Sugar Limited as its operations contractor. Previously Queensland Sugar Limited sub-let the terminals and contracted directly with the customers. The new agreements commenced on 1 July 2017 and the previous sub-lease arrangement with Queensland Sugar Limited ceased on 30 June 2017. After signing the new Storage and Handling Agreement, management performed analysis and set up a new accounting policy in relation to revenue recognition. Following management assessment, the Company determined it's appropriate to recognise revenue based on straight-line basis. This was a key audit matter because this is the first financial year that the Company operated under the new operating and Storage and Handling Agreement and due to judgement in relation to revenue recognition.	We have performed the following procedures, amongst others: • Reviewed the Storage and Handling Agreements signed with customers and assessed the revenue recognition policy in line with AASB 118. • Tested a sample of revenue transactions by agreeing them to invoices and payments received in the bank statements. • Tested a sample of revenue transactions immediately prior to and post 30 June 2018 to ensure handling activities have been recognised in the correct period. • Tested a sample of deferred revenue transactions in relation to the prepaid availability charge for the next financial period by agreeing them to invoices and payments received in the bank statements. • Tested a sample of unpaid revenue invoices by obtaining debtors' confirmations or inspecting subsequent payments received in the bank statements. • Assessed the calculation of accrued revenue for the true-up of the 30 June 2018 financial year actual handling activity charge.

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Independent auditor's report (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2018, including the About STL, Chairman's message, 2018 Performance, CEO's report, Purpose and values, Leadership, Governance, Directors' report, Shareholder information and Corporate directory, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

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Independent auditor's report (continued)

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 11 to 13 of the directors' report for the year ended 30 June 2018.

In our opinion, the remuneration report of Sugar Terminals Limited for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Matters relating to the electronic presentation of the audited financial report

This auditor's report relates to the financial report of Sugar Terminals Limited for the year ended 30 June 2018 included on Sugar Terminals Limited's web site. The directors of the Company are responsible for the integrity of Sugar Terminals Limited's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

PricewaterhouseCoopers

Kim Challenor
Partner

Brisbane
5 September 2018

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Shareholder information

30 JUNE 2018

Top 10 shareholders

The Company has G Class shares, the acquisition of which is restricted to Active Growers and M Class shares which are restricted to Active Millers.

Lists of the top 10 G Class shareholders and all of the M Class shareholders as at the balance date:

G Class shareholders

Shareholder	*Number of Shares*
Anthoan Pty Ltd	11,515,155
MSF Investments Pty Ltd	11,494,226
QSL Investments (No 1) Pty Ltd	11,467,410
QSL Investments (No 2) Pty Ltd	11,467,410
Queensland Sugar Limited	11,467,410
MSF Sugar Limited	11,446,455
MP Australia Investments Pty Ltd	8,099,829
Jaswel Pty Ltd <The Jaswel Family A/C>	4,065,551
Wilmar Sugar Australia Investments Pty Ltd	1,111,343
Appsolute Farming Pty Ltd	956,194

M Class shareholders

Shareholder	*Number of Shares*
Wilmar Sugar Australia Investments Pty Ltd	65,810,955
Mackay Sugar Limited	32,730,150
MSF Sugar Limited	16,568,672
The Mulgrave Central Mill Company Limited	9,505,841
Tully Sugar Limited	6,016,179
Isis Central Sugar Mill Co Ltd	20,000

Substantial shareholders

Shareholder	*%*
MSF Sugar Ltd (and associated companies)	19.12%
Wilmar Sugar Australia Investments Pty Ltd	18.59%
Queensland Sugar Limited (and associated companies)	9.56%
Mackay Sugar Limited	9.09%

Corporate directory

DIRECTORS	(Alan) Mark Gray Chairman Sam (Salvatore) G Bonanno Constantine A Christofides Ian R Davies Leanne Muller Shayne W Rutherford Drew (Donald) Watson
COMPANY SECRETARY/CFO	Peter M Bolton
REGISTERED OFFICE	Level 11, 348 Edward St Brisbane Qld 4000
SHARE REGISTER	Sugar Terminals Limited Share Registry c/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235
AUDITOR	PricewaterhouseCoopers GPO Box 150 Brisbane Qld 4001
SOLICITORS	Clayton Utz GPO Box 9806 Brisbane Qld 4001
BANKERS	National Australia Bank PO Box 10653 Brisbane Qld 4001
STOCK EXCHANGE LISTING	Sugar Terminals Limited G Class shares are listed on the National Stock Exchange of Australia
WEBSITE	sugarterminals.com.au

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